



**CAPSTONE  
ISG**

**September 24, 2020**

Bell & Clements Limited  
Attention: Georgia Costin  
Via email: Georgia.Costin@bellandclements.co.uk

**Sixth Report**

**RE:** Claim No: 123391  
Policy Number: BC003908  
Policy Period: 05/03/2019 to 05/03/2020  
Cover: Rental Dwellings & Apartments  
Deductible: \$1,000.00  
Name of Assured: Joshua Fields  
Address of Assured: 812 W. Oklahoma  
Ponca City, OK 74601  
Location of Loss: 410 W Cleveland Ave  
Ponca City, OK 74601  
Date of Loss: 03/25/2020  
Cause of Loss: Fire  
Third Party/Recovery: Unknown  
Reserve: \$325,400  
Our File Number: 2-17136

Dear Ms. Costin:

This follows our August 24, 2020 report and will serve as our current status report.

**ESTIMATED LOSS:**


<u>Item</u>	<u>Sum Insured</u>	<u>Reserve</u>	<u>Paid to Date</u>	<u>Balance</u>
Building:	\$325,450	\$325,450	\$0	\$0
(Prem. 4 Bldg. 1)				
Debris Removal	\$ 25,000	<u>\$ 25,000</u>	<u>\$0</u>	<u>\$0</u>
Total		\$350,450	\$0	\$0

*The figures given above are provided to assist in assessing the ultimate exposure for this loss and are not meant as an admission of liability under the applicable contract of insurance.*

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**COVERAGE:**

We received the attached report from Philip Noah of Rimkus Consulting Group on September 20, 2020. Mr. Noah has not been able to rule out intentional ignition of combustible materials. He has confirmed smoke detectors were not present at the time of loss, and the property was vacant.



**ORIGIN:**

We received the attached report regarding the origin and cause of his loss. As part of his investigation, Fire Marshal Derek Cassidy, of the Ponca City Fire Department was interviewed. While he was aware of a prior fire at the risk, he did not have records or details regarding the same.

Detective Brian Dye, with the Ponca City Police Department was also interviewed. Mr. Dye confirmed the property was vacant and boarded for approximately 2 months prior to the loss. He recalls a padlock on the rear door was broken prior to the fire department's arrival on scene, and further confirmed the presence of petroleum distillate, confirmed via testing. He confirmed the fire began on the ground level stairwell.

Mr. Noah's report does not definitively confirm the source of the ignition; he has identified a kerosene space heater in the area of origin, but cannot rule out intentional ignition of combustible materials. As he cannot confirm or rule out either, the origin of the fire remains undetermined upon conclusion of his investigation.

**ADJUSTMENT AND GENERAL REMARKS:**

Building:

Our preliminary figures indicate the damage to the building exceeds the policy limit. We will comment further once coverage has been determined.

On August 24, 2020, we were contacted by Scott Jackson, an attorney and personal friend of the insured owner. Mr. Jackson has not been formally retained by the insured in relation to this matter, and was assisting the insured only. Mr. Jackson stated the insured had received a letter from Ponca City stating the insured must demolish the building/be under contract by Wednesday, August 26, 2020, or face up to \$500 a day in fines. This is the first notice to our office regarding this letter.

Mr. Jackson reportedly has a personal connection with the people at the city, and is reaching out to see if they can get more time/what specifically "under contract" means. He acknowledges that the insured has not been as communicative with the city as he should have been, which he believed fueled the certified letter.



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Mr. Jackson had received a copy of the previously issued Reservation of Rights letter from the insured, and was aware of coverage concerns regarding vacancy, and a larger concern regarding the potential lack of compliance with protective safeguards. Mr. Jackson also inquired into whether we had any unofficial or unconfirmed suspicious regarding the cause of loss, to which we declined to provide commitments.

As you are aware, Mr. Noah confirmed that he had no further anticipated need for the scene, and that the same could be released. On September 7, 2020, your office confirmed the scene could be formally released, and we advised Mr. Jackson of the same.

Debris Removal:

We have no further comments at this time. The policy would likely provide an additional \$25,000 for debris removal, should coverage be afforded.

Business Income with Extra Expense:

As you are aware, the property was vacant and under renovations when the fire occurred, thus there would be no loss of income due to the fire. The insured and one of his employees were concluding the repairs. We understood the insured was planning to rehab each apartment and common areas as needed with carpeting, new doors, and upgraded kitchens where needed. No contractor had been hired to assist with the repairs. We have requested information from the building department concerning any permits on this property prior to or since the fire occurred.

**SUBROGATION:**

Per Mr. Noah, the specific cause of loss is undetermined. There is no subrogation potential based on the same.

**RECOMMENDATIONS:**

We have received the attached invoice from Rimkus Consulting Group for Mr. Noah's services. Their invoice totals \$1,240.00. We recommend payment for the same.

An approved payment can be issued to the following address:

*Rimkus Consulting Group, Inc.*  
*P.O. Box 4673*  
*Houston, TX 77210*

[REDACTED]

[REDACTED]

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[REDACTED]

**FUTURE ACTIVITY:**

1. Await response to our recommendation.
2. [REDACTED]
3. Provide the appropriate recommendations.
4. Report on or before October 24, 2020.

Please contact our office if you have any questions. Thank you for using Capstone ISG.

Sincerely,  
**Capstone ISG**

Kevin Wilson, CPCU, AIC  
Property General Adjuster  
(804)744-9600 Office  
(804)250-9618 Direct  
(757)420-4191 Fax  
[kwilson@capstoneisg.com](mailto:kwilson@capstoneisg.com)

**Enclosure(s):**

1. Origin and Cause Report
2. Certified Letter from Ponca City
3. Rimkus Invoice
4. [REDACTED]

CC: [bhodkin@mjkelly.com](mailto:bhodkin@mjkelly.com)  
[REDACTED]